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Major General LeRoy S. Irwin
Assistant Chief of Staff, G-2
General Staff, United States Army
Washington 25, D. C.

My Dear Lemnitzer

Attached hereto is a "Report of Staff Visit to Hong Kong". This report was written by Colonel Louis J. Fortier, Director of my Theater Intelligence Division, based on a visit to Hong Kong from 29 April 1950 to 2 May 1950.

As expressed in my radio to you of 4 June 1950, I have the highest faith in Fortier's powers of observation and analysis.

I am also inclosing a copy of an earlier study by Fortier on "Hong Kong, Capacity for Defense 1941 - 1949".

C. A. WILLOUGHBY
Major General, GSC
Assistant Chief of Staff, G-2

2 Incls
1. Rpt of Staff Visit to Hong Kong
2. Hong Kong, Capacity for Defense 1941 - 1949

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Theater Intelligence Division

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SUBJECT: Staff Visit to Hong Kong

MEMO TO: Major General C. A. Willoughby, [illegible] DS Taw 1/13/60
Assistant Chief of Staff, G-2, GHQ, FEC

1. Synopsis of Hong Kong Visit.

a. Accompanied by Captain Orville E. Bloch, CEC, of Theater Intelligence, I spent four days (29 April-2 May) in Hong Kong and on the Kowloon Peninsula. Our journey from Tokyo, via Okinawa, was under the aegis of the Eighth Air Weather Wing whose regional meeting in Hong Kong provided us excellent cover. Being in civilian clothes, I was neither observed nor disturbed by anyone. While Bloch and I stopped at the Cheesecutter House, giving us maximum freedom of movement, both the British land forces (Lt Gen Sir R. G. B. Kenneth) and the American Consulate (Mrs Ward Hamlin with personal rank of Minister) placed their personnel and plant at our disposal. The U.S. military contingent consists of Army, Navy, Air Assistant Attaches, accredited to London but domiciled in Hong Kong.

b. We met, were entertained by, and conferred with many persons, both military and civilian, representing a fair cross-section of opinion and knowledge of the area. We made a reconnaissance via jeep of the British defensive position on the Kowloon Peninsula as well as the outposts on the Shum Chun River, (the boundary). We observed the British field dispositions, and from two front-line observation posts we studied Communist Chinese terrain. Perhaps, most significant we noted the psychological reaction to the recent communist seizure of Paimun Fortress which was particularly timely.

c. As an over-all impression, the present atmosphere of Hong Kong is neither cheerful nor conducive to any deep feeling of security.

2. The Terrain (Tab 1).

a. An analysis of the terrain having been made by me in my previous study (Hong Kong Capacity for Defense - 1949-1950), I shall not indulge you with a detailed description of the various successive defensive positions. Here to the point in the fact that having studied the terrain both on the map and on the ground, I was very much more interested in the British concept of defense given me orally by Brigadier R. S. K. Hammet, Chief of Staff, land forces. As viewed by Hammet the main defensive position is the one indicated on Tab 1. To preserve the principal reservoirs and to secure the Tai Mo Shan Massif the battle must be won in the valley north of this position, which incidentally offers excellent fields of fire. The British viewpoint thus coincides entirely with ours, as expressed in our studies.

b. The British contemplate an initial delaying action on the river line boundary and have sited a certain number of trenches and field fortifications for this purpose.

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c. Quite properly the principal position has received the greatest attention and labor. Inland roads have been constructed and jeep trails, both peninsula and inland, have been built. (A 1/20,000 map showing the road system in detail is en route by pouch to me). Road construction is still in progress, using coolie labor under the local engineers.

d. Should the main position fail, the British agree, the defense of Hong Kong becomes a siege operation destined eventually to capitulation unless superior reinforcements arrive.

3. The armed forces.

a. The Army (Tab 2).

You will recall that in my study of November 1940, as well as your personal observation of December 1940, we agreed that the 60th British division and the three marine commando battalions (1 brigade) barely sufficed to man the main battle position and to preserve order in Hong Kong. The principal fighting brigade of the 60th division, the Gurkha brigade with its two Gurkha battalions and one British battalion, has been moved to Malaya. The three marine battalions (the backbone of the Hong Kong security force) leave this month - also for Malaya. The two remaining brigades of the 60th division are composed primarily of short-term conscripts, in other words, similar to our one-time one-year draftees the spark work of their enlistment at the high ebb between induction and discharge. The 60th division (less its prize brigade) is in the field, bivouacked in pyramidal tents near their battle positions and undergoing an intensive training program. Young, alert, excellent morale, fighting but neither seasoned nor numerous. With the elimination of the stiffening influence (the Gurkha brigade) to the front and with the early departure of the only specialty force (other than native police) to the rear, one cannot help but wonder whether the military defense of Hong Kong will not be by default, despite the fine English youth that would unquestionably do its best and spill its blood.

b. The Air Force.

As long as the Chinese Communists had no air force it was easy to grant to the British air supremacy in the area. However, with practically all observers now willing to acknowledge a Chinese Communist Air Force of not less than 500 modern type combat planes the days of the British Air Force in the Hong Kong area remain few indeed. The British complement of the local Air Force consists of two squadrons of fighters (16 over 32 planes) and one squadron of land-based flying boats (8 planes). I say these planes are the approved complement. The British air commander, according to one of our U.S. observers, recently made the following statement: "The air defense of Hong Kong is not on a firm basis and is inadequate." I agree.

c. Navy.

In this regard, the British maintain a definite superiority. Their full strength is in Hong Kong, and not at Singapore, the carrier and squadrons of naval planes to reinforce the Royal Air Force. During my visit, besides our own USS Tutuila, the British ship complement in port included the eleventh cruiser Dulcens, a cruiser and about four destroyers. While definitely superior the British naval element views the current task as having been rendered much more difficult by the Communist antiforeign manner on the west of the colony and their enforcement of close batteries on the two ten

Peninsula as well as along the Blue Bay area to the northeast (Tab J). The Communists recent operations, designed to clear the Ling Ting channel and the Pearl River Estuary have resulted in the seizure of the Ching Chau and Lintin Islands, further encroaching on the Colony.

d. Military Summary.

Viewed in November 1949, we were able to consider the British militarily capable of an excellent defense at Hong Kong, in May 1950 the means at their disposal have been decreased, while the potential enemy has been strengthened.

4. Political.

a. As soon as one considers the matter even slightly it is easy to perceive that the British military and the British Colonial Government do not have the same attitude toward the Chinese Communists. The British military are not sympathetic toward the recognition of MAO Tse-tung and furthermore oppose turning over the former Chinese Nationalist transport planes (still at Haitak) to the Communists. Outside of government circles, the prevailing opinion expressed, both by businessmen and military, is that recognition of MAO was in error.

b. Harding, our Consul General and an old colleague of Belgrade days, who is very much of an activist in State Department circles spent several hours with me discussing the situation in East Asia. He is personally an advocate of decisive commitments by the U.S., backed by military force, and stated repeatedly that we were permitting this area to go by default. He observed that one of our cruisers alone could defend Formosa and chided me on our four divisions in Japan watching ourselves unfettered.

c. As much as I personally dislike the use of the word, the political attitude of the British towards Communist China may be defined as "cautious".

5. Economic.

a. Contrary to the impression I had before leaving Tokyo, I did not observe any great shipping activity in Hong Kong waters. While I did not visit the warehouses nor make more than a casual inspection of the docks and wharves I was informed that trade was no longer brisk and that much cargo was in storage. A price index on the U.S. dollar, currently bringing only 6.40 Hong Kong dollars as compared to 6.50 Hong Kong dollars thirty to sixty days ago was attributed to the quantity of U.S. goods held in warehouses.

b. Trade with Communist China was described as seriously hampered by river piracy that has arisen as the Chinese Nationalist Navy has become less active. Probably because of the more spectacular aspect one hears only of shortages materials cargoes at premium shipping rates leaving ports. Our Consul General is sending me latest authoritative data on traffic with China.

c. For the time being, food is both plentiful and cheap in Hong Kong. In fact, I observed no shortage of commodities. The fall of Hainan, the principal supplier of fresh meat and vegetables, is expected to have an adverse effect on the local food supply. Shelter is totally inadequate - the city is over-crowded with Chinese refugees. At night, the sidewalks are cluttered with sleeping bodies. I shall be amazed if the city escapes some serious epidemic.

d. Shops contain few customers. In the leading rug, linen and china stores, I found myself alone and received the personal attention of the proprietor.

e. Among businessmen in general there was much talk of abandoning the sinking ship but this I shall describe in the next paragraph.

6. Psychological.

I breakfasted one morning with Sir Robert Ho-tung, reputedly one of the wealthiest men in Hong Kong and a life-time resident. His attitude was typical of that which I found in Paris in 1936. He was determined to make a deal with the Communists to recoup what he could from his Shanghai investments; prepare to purchase or to barter a comfortable asylum in Hong Kong (preferably part of his present estate) "when the Reds take over"; and invest now all tangible assets in South America. His principal object was to discuss with me the relative merits of Peru versus Brazil as a financial safe haven. I can add little to this grim picture. Be it in the hotel, or among businessmen, or among the people in the street, one feels a foreboding of an impending change. Hey I repeat that Hainan had just fallen; Pintin Island had just been taken; the Chinese Nationalists had again shown no will to fight; and the British were still awaiting diplomatic recognition by MAO while concurrently evacuating the best of their own troops.

7. Miscellaneous.

a. Northwest China (Tab b). Lt Col Harrold (USA Liaison officer) arranged an interview with General MA, Hung-kwei, Commander of the Fourth Army. MA, Hung-kwei is very much of an optimist, assuring me that he had about 60,000 troops still actively engaged with the Reds in four principal northwest areas (Tab 5). Nothing would never accept Communism and when I asked him what he needed, he replied unhesitatingly "Nothing for twelve months except U.S. planning that would assure replenishment of weapons and ammunition before the expiration of the twelve month period". He expressed deep admiration for General MacArthur.

b. Taiwan. "You can have it as my firm conviction that the end of May 1950 will see Taiwan taken by the Chinese Communists in an amphibious operation and I have so reported to Washington", so says [redacted], head of the Chinese intelligence agency in Hong Kong. [redacted] claimed to have an excellent intelligence coverage of the Shanghai-Tientsin area and he was certain of both his facts and deductions. He had definite information that the amphibious training phase was to be completed by May 1st and that the Communist Chinese Air Force was now in being, having been trained by the Soviets, near Antung, and that it now had superiority over the Nationalist Air Force. To Colonel [redacted] Taiwan was in the bag for the Communists and nothing I said in rebuttal would even make him hedge. I had merely to live until the 31st of May 1950 to see Formosa & Island go the way of all the others. Incidentally, Barratt, USA, and Nelson, USN, of Taipei, who were in Hong Kong awaiting the arrival of Soulo, while not specific as to dates, thought the end of Taiwan near.

c. Frontier Control.

Effective May 1st, the British instituted a control of incoming refugees at checkpoints which is intended to equalize the outflow and inflow of Chinese across the border. This measure was taken because of the congested conditions in Hong Kong. I doubt

seriously that it can be made effective. From an observation post where I could see several miles of the two hundred foot stream that forms the boundary, numerous sampans were engaged in uncontrolled ferrying of individuals. It would absorb much of the 40th Division were it placed on this river line as a continuous border patrol. At best, the British, with native police, will control vehicular traffic while pedestrians off the penetrants will enter unmolested.

d. Intelligence Possibilities.

With the border leaking like a sieve and with the U.S. dollar an effective permit for entry into Communist China, the Leased Territories afford an Intelligence Agent's dream. The British Intelligence Service appeared to operate no interrogation center. I was informed that their agents were directed only to their immediate front and toward Indo-China (the latter possibly a hold-over of the British versus French counterespionage systems). WANG a partner of Sammy Y. LEE, a rug exporter to our C.P.O., had just returned from Peking four days prior to my arrival in Kowloon. With him had come a load of rugs and camphorwood chests. WANG told me he had travelled to Peking via Nanking and returned unmolested and from him I obtained a corroboration of the alleged 200 Soviet type planes in the vicinity of Shanghai.

e. Chinese Communists on British Front.

As of 2 May there was no concentration of Chinese Communist forces on the Leased Territories front. Only a few men in uniform on bridge control and outpost duty and a liberal sprinkling of Communist flags gave any indication of a nation in arms. The nearest concentration of Chinese Communist forces (and one could hear occasional artillery salvos) is at Nam Tou Peninsula (Tab 3). This Peninsula had provided the debouchment for the seizure of Lintin Island.

8. Summary.

I trust that I may not have minimized the importance that I attach to the secure maintenance of the Asiatic beachhead at Kowloon. The loss would be psychologically a tragedy.

The situation in that area of China has been created by selfish men with extremely selfish interests. The result is that the rank and file have lost both faith and hope. The battle here, as in other areas, can be won only if the foe's sword can be resived. Unfortunately, the Chinese Nationalists are unwilling to spill blood and the British have made it too apparent they sought primarily a traders's permit. While there is nothing to indicate any immediate desire on the part of Red China to foreclose on this leased property, nonetheless weakness invites trespass.

5 Incls
1. Key - Prepared Defense Line
2. British Land Forces in New Territories
3. Concentration of Chinese Communist Forces
4. A Survey of the Situation in the North-west of China
5. Macao Area of Influence

LOUIS J. FORTIER
Colonel GSC
Director, Theater Intelligence Division

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By authority of ACSI Letter dated 2 [illegible] 1960
by DS Tiet 1/13/60

A Study of the Structure of the Northern Warlord Clique

1/10/1926

The four northeastern provinces of the republic of China, namely, Kirin, Heilungkiang and Chihli, are generally called the northeast in China. These four provinces, whose population is about 30 millions, are strategically important as situated on the shortest line from the eastern frontier of Russia to China proper and with control by either of the powers of the Chinese capital in the vicinity of the provinces of Honan and Anhwei rivalled the rest of the provinces. From this point of view it became, the original of the provinces of Manchuria for the purpose of administering the northeastern frontiers of the Empire, and has ever been regarded as a base not so far as military defense is concerned.

The high altitude and severe climate in the northeast make the residents there a very tough as well as healthy race. Most of them are farmers and sturdy, honest, brave or rather chivalrous. Bandits are a real nuisance, people keep watch and ready to the help of one another, when were declared against foreign invasion, they ever answered call for duty. The northeastern participated nearly in all the expeditions against foreign invasion throughout the Ching dynasty. In the Opium [illegible] they [illegible] and a brave [illegible] died in battle before Tientsin, the former city gate of Peking. Even with many of his sons killed in the [illegible] this family remained the loyalty and bravery of the northeasterners and highly praised by the Ching dynasty and their hopes were never lost.

Since the birth of the republic in 1912, as there were civil wars often, the central government was not much occupied with little attention was paid to the northeast. Until 1916, when [illegible] and Chihli started that famous [illegible] from the southern provinces of [illegible] in 1916 which eventually resulted in the restoration of the country [illegible] in the northeast under the leadership of the [illegible] had a chance for running as [illegible], the various [illegible] commanders-in-chief [illegible], various commander of [illegible] can be [illegible] Chihli can be [illegible] various commander of Kirin, can be [illegible] garrison commander of Heilungkiang, (now governing) [illegible] various governor of Jehol and [illegible] Commander-in-Chief of the 3rd route army - all were to the support of the national [illegible] both of Chihli and Anhwei in the [illegible] against the [illegible] ruling government was established and [illegible] these warlords like General Chang Tso-lin [illegible], Tuan Chi-jui [illegible], and Feng participated in the [illegible] war in 1917, the second civil war and the recent Kuominchun expedition. In the aforementioned campaigns under the leadership of the pro-Anhwei [illegible] these Manchu generals have [illegible] northerners enlisted in the armies. The number of dead and wounded was over forty thousands - what terrible in view of the relatively not very large population in these northeastern provinces.

The mountainous North-west are especially suitable for raising animals while the plains along there for cultivation. There are plenty of horses, camels and camels. These constitute the principal food and means of transportation. Forests and mines are very rich. Primeval forests along the three provinces of Heilung Kiang and Kirin. Iron and coal mines have been discovered in these provinces. Gold is found in Kirin and Heilung Kiang. Oil is found in Sinkiang, Kansu and Tsinghai. The cultivated quantity of all is quite large. Now Kwangtung is under the control of the Kuomintang, while Kwangsi people and Yunnan people are still into the Chinese Communists have also been developed behind the lines carrying. Russian has now a free hand to exploit all these natural resources and in building railways and highways not only to consolidate here position there but for a springboard for the conquest of India and Southeast Asia.

In this connection we should draw your attention to the fact that in 1938 when the 5th Red-Army ( ) and the 2nd Red-Army ( ) were fighting for the control of Kiangsi, the 5th Red-Army couple regular old and in response to the request the 8th Regiment of the 2nd Army (it was better known in the provinces as the 2nd Eighth Regiment) was dispatched from Honan to his aid. In fact the 2nd Eighth Regiment consisted of more than thirty thousand men, mastering over 111 ( ), guns ( ) and heavy ( ). According to reliable information, at present Russian forces in the northwest of China have been thrown up four times more than that number, and are scattered from the border between Inner Mongolia and Sinkiang to various key points along Outer Mongolia and Manchuria, thus controlling all key positions between Russia and China.

Let Lattimore be not fooled in the northwest and keep very well close and alert eyes in there. It dictates that Russia has organized by the Soviet Government about the development of communism in those frontier provinces, the employment of the system of Communes by Mongolian people over the Mongolians, the establishment of roads around to facilitate communication, all of these were directed for the consolidation of the frontier provinces and not for their mutual advancement. Also, all these orders were implemented.

As the Chinese Communists have to point out that although the Kuomintang has been back to the Chinese Communists, but were hampered by the hostile actions from of the Kuomintang Government, the inner thoughts of the Communists people in those four provinces remain hostile and hence their religion. The majority of Communist people among the Chinese nationalities in the provinces. By reason of their religious faith, they are naturally hostile to communism. As the power economy of the Chinese Communists has been very much increased, to meet their expenditures, they are levying very heavy taxation and collecting foodstuffs from all people and farmers. But this only means poverty and privation of the people and will have them no other way than taking up their arms to fight against their conquers. There are now nine Tibetan groups of natives fighting guerrilla warfare against the Red. The two largest groups among these belong to Gen Lungwu and Gen Tsiang Kyapa.

One group consisting of from 20,000 to 25,000 men is commanded by former division commander Gen Chou Pei-feng, their center of activity being Hai-jen ( ) and Lung-jen ( ). The other group of more than 20,000 men is commanded by former Army Corps Comdr Ma Pu-fang ( ) fighting along the border between Kinghai and Sui-yuan ( ). Guerrillas in Szechuan Province total about 40,000 men, subdividing into three groups, very active behind the reds. In Kansu province, guerrillas usually group themselves together into two or three thousand men. These small groups in general are dealing a heavy blow to the Reds especially in the district of Lin-hsia ( ), formerly called Ho-chou ( ), the Moslem district of the west Kansu. Over there all the men have their arms, and are now united against Communist invasion that no Communist workers dare to go there. In all, there are about 200,000 guerrillas in those three provinces. Should there be unification of command and better employment there men with their simple faith in their religion and their inborn honesty and bravery will no doubt offer the greatest help needed to battle the Communist aggressors.

In case you are interested to lend help to our effort to recover the Chinese mainland, two strategically important places should be given consideration — the north-west or Manchuria as well as the north-west of China. Both places are bordering upon the Russian frontier. Both will be held by the Russians to safeguard their own land. If driven from the northwest of China, agitation of Russia would break out the door as the Russian Communist. Hence the importance of the north-west.

To liberate the north-west, help from the Mohammedan people is indispensible. It is well known the Mohammedans are good fighters and hostile to Communism. There can be little chance of any compromise between them and the reds. This can be fully proved by the unyielding fights by the Mohammedan troops against the Chinese Communists. Therefore the solution will be found in selecting and training among the Chinese leaders such as many the support of the people as well which will quickly arrive, he would be best to be the first-best to lead the forces to fight with, of course, whenever you could offer to the help the arms and the sensible determination to help free China and United Communists the common enemies of world peace.

In conclusion, it is time now to prepare before it is too late or less in time.